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(Memo for record)

21 April 1970

3.3(b)(1)
3.5(c)

MEMORANDUM FOR THE RECORD

SUBJECT: OSA Contracting for Project AQUILINE

On 16 April the DD/S&T stated his position with regard to contracting for the operational phase of Project AQUILINE. The matter was presented to him by Mr. Fred Janney following a meeting with [redacted]

[redacted] Mr. Duckett stated that he felt OSA should be capable of flexibility in its method of operation considering that its future might very well involve Agency-funded operations in addition to Project AQUILINE. Thus OSA contracts for Agency-funded projects would be conducted in accordance with regular Agency contracting procedures. He felt that the West Coast Contracting Office should continue to contract for AQUILINE requirements including those initiated by OSA in the operational phase. Under these conditions the contracting officer in OSA would be the primary liaison between OSA and the West Coast Contracting Officer in much the same fashion as the ORD Contracting Officer is the point of liaison with the West Coast on ORD requirements which are contracted for by the West Coast Contracting Officer.

It was pointed out to Mr. Duckett that under Agency regulations the Director of Logistics was responsible for the security of industrial contracts funded under Agency appropriations. Mr. Duckett saw no problem in assuming that the special security requirements of OSA could interface with regular Agency industrial security by mutual agreement.

Later Mr. Blake confirmed that he would arrange for the Chief, Logistics Industrial Security, to meet with the Chief, OSA Security to determine what arrangements would be necessary to provide the proper interface. Mr. Blake would also work out guidelines for the Contracting Officer, OSA, in those instances where OSA would be contracting for AQUILINE with non-west coast contractors.

In view of Mr. Duckett's decision on this matter, which was a change in his earlier approach to the AQUILINE contracting for the operational phase, the attached memorandum

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Page 2

of 28 November can be retired without further action. This memorandum had been reviewed by O/PPB and coordinated with the DDS. Mr. John Clarke's note stating that perhaps the action was a bit premature and suggesting the action be put on the back burner is attached as part of the record. It is interesting to note the comments of the DDS on OSA contracting for the Agency-funded AQUILINE project. In substance that position was:

- a. It is improper to use NRO authority for an Agency project.
- b. If NRO authority is used for Agency-funded contracting, use DCAA audit, not ICAD.
- c. Security is better in the Agency system.



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